



# Thrift Savings Plan BULLETIN

for Service TSP Representatives

01-U-8

**Subject:** Thrift Savings Plan Election Form, TSP-U-1

**Date:** September 27, 2001

The Federal Retirement Thrift Investment Board (Board) has issued the Thrift Savings Plan (TSP) Election Form (TSP-U-1), which is to be used by members of the uniformed services to make TSP contribution elections. This bulletin explains the distribution of Form TSP-U-1 and contains instructions for processing contribution elections.<sup>1</sup>

## **I. Distribution of Form TSP-U-1**

### **A. To services**

The Board will send each service's central distribution point a supply of the forms. By October 1, 2001, each central distribution point should receive an amount approximately equal to its total force.

Representatives from the services' central distribution points may order additional forms by using the Thrift Savings Plan Publications Order Form (TSP-U-40), which will be provided shortly. Other service representatives, however, will not be able to order the forms (or other TSP materials) directly from the TSP. Consequently, the services must develop internal procedures for notifying their central distribution points when they need additional supplies of the form (or other TSP materials).

The form will also be available on the TSP Web site at [www.tsp.gov](http://www.tsp.gov) beginning October 1, 2001.

*(continued on next page)*

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<sup>1</sup> See TSP Bulletin 01-U-3, Uniformed Services Participation in the TSP, dated July 19, 2001, for more information about contribution elections.

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**Inquiries:** Questions concerning this bulletin should be directed to the Federal Retirement Thrift Investment Board at **202-942-1460**.

**Chapter:** This bulletin may be filed in Chapter 5, Establishing and Maintaining Accounts.

B. By services

Upon receipt, the services' central distribution points must distribute these forms appropriately to the offices that are responsible for providing them to members. These service offices should provide Form TSP-U-1 to:

- current members during the special sign-up period that begins October 9, 2001;
- new members when they join (or rejoin) the uniformed services;
- members who request the form when they are eligible to make contribution elections (e.g., during a TSP open season).<sup>2</sup>

## II. Making contribution elections

A. Member responsibilities

Members must file TSP contribution elections with their services. Generally, this means members will submit Forms TSP-U-1 to the offices that have been designated by the services to accept such elections. However, members may also make TSP contribution elections electronically if their services have an automated process in place that enables members to do so.

B. Service responsibilities

Services must process contribution elections (either paper or electronic submissions) and address claims from their members regarding erroneous processing. In addition, services must answer questions from their members about making contribution elections.

**Services should not refer members to the Board or to the TSP record keeper, the National Finance Center (NFC), to resolve issues relating to contribution elections.**

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<sup>2</sup> See TSP Bulletin 01-U-3 for more information about the special sign-up period for current members, the contribution election opportunity for new members, TSP open seasons, and other conditions that would allow members to make contribution elections.

### **III. Processing Form TSP-1**

To process TSP contribution elections, services must:

A. Ensure that the election is made properly.

- A contribution election must be expressed in a whole percentage and cannot exceed the employee contribution limit (e.g., 7% for 2002).<sup>3</sup>
- To contribute from incentive pay, special pay, or bonus pay, the member must contribute from basic pay.
- If Form TSP-U-1 is used, the member must sign the form. If the election is electronic, an electronic signature must be provided.
- If an election cannot be processed, the member should be notified.

B. Set the effective date of the election.

See TSP Bulletin 01-U-3 for instructions on setting effective dates of TSP contribution elections.

C. Notify the member of the effective date and retain information about the election.

If the election is made on Form TSP-U-1, the member should receive a copy of the form after the service completes Section V, For Service Use Only. The form should then be filed in the member's official personnel or pay folder.

If the election is electronic, the member should receive confirmation of it and its effective date. Services must have the capability to retrieve electronic elections so that TSP information may be provided to another payroll office if a member transfers, or to an appropriate service official if a member files a claim for error correction.

D. If the member elects to terminate contributions, determine the date the member may resume TSP contributions.

See TSP Bulletin 01-U-3 for instructions on how to determine a new eligibility date.

E. Enter the paper election into the service's payroll system.

After the election has been entered in the system, it should be reviewed to determine if it was entered correctly. If not, the entry should be corrected.

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<sup>3</sup> See the instructions to Section II on the back of Form TSP-U-1 or TSP Bulletin 01-U-3 for information on the employee contribution limits.

F. Determine and report TSP contributions.

Payroll offices must determine the TSP contributions of their members using the contribution elections and the pay earned for the pay period and report these contributions to NFC each pay period. To report TSP contributions, payroll offices must submit payment records, as described in TSP Bulletin 01-U-5, Processing Submissions from the Uniformed Services, dated August 29, 2001.

A handwritten signature in black ink, reading "Pamela-Jeanne Moran". The signature is written in a cursive, flowing style.

PAMELA-JEANNE MORAN  
Deputy Director  
Office of External Affairs